

The GIC's Long Term Disability (LTD) program is insured by Unum. LTD is an income replacement program that protects you and your family in the event you become disabled and are unable to perform the material and substantial duties of your job.

How would you pay your bills if you became seriously ill? When disaster strikes, it's easy to fall behind on mortgage and other essential payments. In fact, more than one-quarter of bankruptcy filers cited illness or injury as the reason for the filing, according to a 2005 issue of *Health Affairs*. That's why a salary replacement plan is an important benefit for you and your family.

If you become ill or injured and are unable to work for 90 consecutive days, this program will provide you with:

- A tax-free benefit of up to 50% of your gross monthly salary
- A benefit for mental health disabilities and for partial disabilities
- A rehabilitation and return-to-work assistance benefit
- A dependent care expense benefit

Benefits are reduced by other income sources, such as Social Security disability, Workers' Compensation, and accumulated sick leave and retirement benefits, but the minimum benefit will be \$100 or 10% of your gross monthly benefit amount, whichever is greater.

### ***Eligibility and Enrollment***

All active full-time and half-time state employees who work at least 18.75 hours in a 37.5-hour work week or 20 hours in a 40-hour work week are eligible for LTD benefits. New employees may enroll in LTD without providing evidence of good health within 31 days of hire. All eligible employees can apply for LTD coverage during annual enrollment, or any time during the year. You must provide proof of good health for Unum's approval to enter the plan.

### **LONG TERM DISABILITY**

#### ***Monthly GIC Plan Rates as of July 1, 2008***

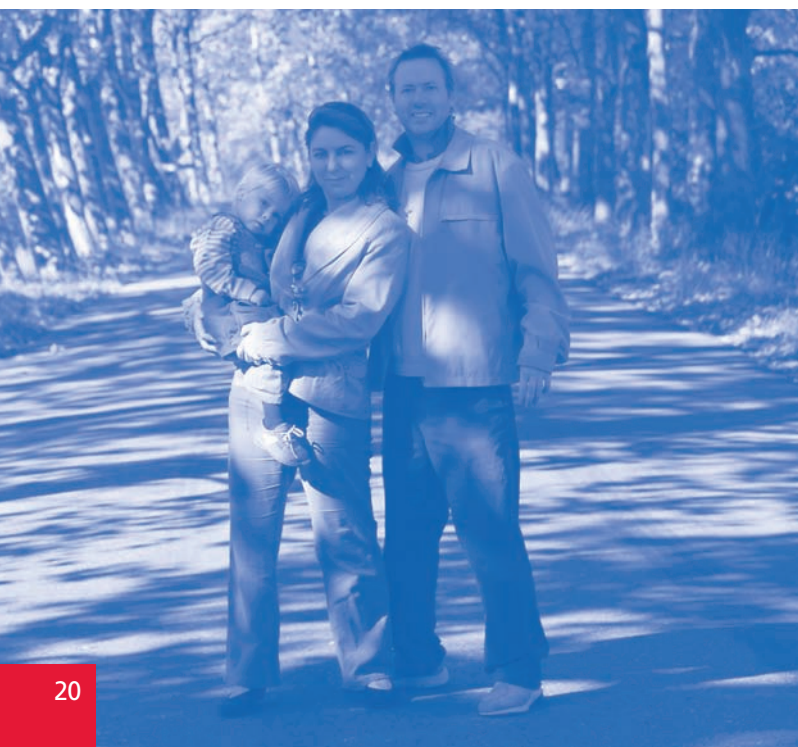
<b>ACTIVE EMPLOYEE AGE</b>	<b>STATE EMPLOYEE MONTHLY PREMIUM <i>Per \$100 of Monthly Earnings</i></b>
Under 20	\$0.09
20 – 24	0.09
25 – 29	0.11
30 – 34	0.15
35 – 39	0.19
40 – 44	0.38
45 – 49	0.55
50 – 54	0.77
55 – 59	0.98
60 – 64	0.89
65 – 69	0.41
70 and over	0.23



***Long Term Disability (LTD)  
Questions?***

**Contact Unum: 1.877.226.8620**

**[www.mass.gov/gic](http://www.mass.gov/gic)**



Life insurance, insured by The Hartford Life and Accident Company, helps provide for your family's economic well-being in the event of your death. This benefit is paid to your designated beneficiaries.

### Basic Life Insurance

The Commonwealth offers \$5,000 of Basic Life Insurance.

### Accidental Death & Dismemberment (AD&D) Benefits

In the event you are injured or die as a result of an accident while insured for life insurance, there are benefits for the following losses:

- Life
- Hands, Feet, Eyes
- Speech and/or Hearing
- Thumb and Index Finger of the Same Hand
- Quadriplegia
- Paraplegia
- Hemiplegia
- Coma
- Brain Damage
- Added benefits for loss of life in a car accident while using an air bag or seat belt

### Optional Life Insurance

Optional Life Insurance is available to provide economic support for your family. This term insurance allows you to increase your coverage up to eight times your annual salary. Term insurance covers you and pays your designated beneficiary in the event of your death or certain other catastrophic events. It is not an investment policy; it has no cash value. This is an employee-pay-all benefit. If you have been diagnosed with a terminal illness, you may elect an advance payment of a portion of your life insurance death benefits during your lifetime (*Accelerated Life Benefit*).

### How Much Do You Need?

To estimate how much Optional Life Insurance you might need, or whether this coverage is right for you, consider such financial factors as:

- Your family's yearly expenses;
- Future expenses, such as college tuition or other expenses unique to your family;
- Your family's income from savings, other insurance, other sources; and
- The life insurance cost and needs for your age bracket. For instance, 35-year-olds with young families and mortgages might need the coverage. But 65-year-olds who have paid off their mortgage and have no dependent expenses might not need it, especially because premiums increase significantly as you age.

### Preparing for Retirement

Before retirement, you should review the amount of your Optional Life Insurance coverage and its cost to determine whether it will make financial sense for you to keep it. Talk with a tax advisor about other programs that might be more beneficial at retirement. Optional Life Insurance rates significantly increase when you retire and continue to increase based on your age. See the *Retiree/Survivor Benefit Decision Guide* or our website for these rates.

### Life Insurance and Leaving State Service

Active employees who leave state service or become ineligible for GIC life insurance:

- **Portability** – continue your basic and/or optional life insurance at the group rate
- **Conversion** – convert your life insurance coverage to a non-group policy



**Portability and  
Conversion Questions?**  
Contact The Hartford Life and  
Accident Company  
1.877.320.0484



**Life Insurance and  
AD&D Questions?**  
Contact the GIC: 1.617.727.2310 ext. 1  
[www.mass.gov/gic](http://www.mass.gov/gic)

## Optional Life Insurance Enrollment

You must be enrolled in Basic Life Insurance in order to apply for Optional Life Insurance.

### New Employees

As a new state employee, you may enroll in Optional Life Insurance for a coverage amount of up to eight times your salary without the need for any medical review.

### Current Employees

Active employees may apply for the first time or apply to increase their coverage at any time during the year. The active employee must complete a personal health application for The Hartford's review and approval. The GIC will determine the effective date if The Hartford approves the application.



### **Enhancement This Year!** **Increasing or Enrolling In Coverage** **as a Current Employee**

Beginning in the fall of 2008, active employees who have a qualified family status change during the year may enroll in or increase their coverage without any medical review in an amount up to four times salary within 31 days of the qualifying event.

Family status changes include the following events:

- Marriage
- Birth or adoption of a child
- Divorce
- Death of a spouse

### Optional Life Insurance Non-Smoker Benefit

At initial enrollment or during annual enrollment, if you have been tobacco-free (have not smoked cigarettes, cigars or pipes nor used snuff or chewing tobacco) for at least the past 12 months, you are eligible for reduced Optional Life Insurance rates. You will be required to periodically re-certify your non-smoking status in order to qualify for the lower rates. Changes in smoking status made during annual enrollment will become effective July 1, 2008.



### **Life Insurance and** **AD&D Questions?**

**Contact the GIC: 1.617.727.2310 ext. 1**  
**[www.mass.gov/gic](http://www.mass.gov/gic)**

## **OPTIONAL LIFE INSURANCE RATES – Monthly GIC Plan Rates as of July 1, 2008** **Including Accidental Death & Dismemberment**

ACTIVE EMPLOYEE AGE	SMOKER RATE <i>Per \$1,000 of Coverage</i>	NON-SMOKER RATE <i>Per \$1,000 of Coverage</i>
Under Age 35	\$ .09	\$ .05
35 – 44	.13	.06
45 – 49	.24	.09
50 – 54	.38	.15
55 – 59	.58	.23
60 – 64	.88	.34
65 – 69	1.57	.83
Age 70 and over	2.81	1.30



## Health Insurance Buy-Out

If you were insured with the GIC on January 1, 2008 or before, and continue your coverage through June 30, 2008, you may buy out your health plan coverage during annual enrollment. You must have other non-state health insurance coverage that is comparable to the health insurance you now receive through the Group Insurance Commission.

Under the buy-out plan, eligible employees receive 25% of the full-cost monthly premium in lieu of health insurance benefits for one 12-month period of time. The amount of payment depends on your health plan and coverage.

### **FOR EXAMPLE:**

*State employee with Navigator by Tufts Health Plan family coverage:*

Full-cost premium on July 1, 2008: \$1,164.77

Monthly 12-month benefit = 25% of this premium

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Employee receives 12 monthly checks of \$291.19  
(before federal and state tax deductions)

## Pre-Tax Premium Deductions

The Commonwealth deducts the employee's share of basic life and health insurance premiums on a pre-tax basis. By deducting on a pre-tax basis, the result is a small increase in your paycheck. During annual enrollment, or when you have a "qualifying event" as outlined on the pre-tax form, you have the opportunity to change the tax status of your premiums.

- If your deductions are now taken on a pre-tax basis, you may elect to have them taxed, effective July 1, 2008.
- If you previously chose not to take the pre-tax option, you may switch to a pre-tax basis, effective July 1, 2008.



***Pre-Tax Premium  
Deduction Questions?***  
**Contact Your Payroll Department**



***Buy-Out Questions?***  
**Contact the GIC: 617.727.2310 ext. 1**  
**[www.mass.gov/gic](http://www.mass.gov/gic)**



Save money by enrolling in the GIC's Flexible Spending accounts (FSAs), administered by SHPS. By participating in an FSA, you will reduce your gross income and save on both federal and state taxes.

### Health Care Spending Account (HCSA)

Through the GIC's Health Care Spending Account (HCSA), active state employees can pay for out-of-pocket health care expenses not covered by a medical or dental plan on a pre-tax basis. Examples can include:

- Office visit and prescription drug co-payments
- Eyeglasses and contact lenses
- Orthodontia and dental benefits
- Hearing aids and durable medical equipment
- Smoking cessation and child birth classes
- Most over-the-counter (OTC) drugs, such as pain relievers, antacids, and allergy medicines

For calendar year 2008, participants can contribute \$500 to \$2,500 through payroll deduction on a pre-tax basis.

#### HCSA Eligibility

All active state employees who are eligible for health benefits with the GIC are eligible for HCSA. Employees must work at least 18.75 hours in a 37.5-hour work week or 20 hours in a 40-hour work week.

### Dependent Care Assistance Program (DCAP)

The Dependent Care Assistance Program (DCAP) allows state employees to pay for qualified dependent care expenses, such as day care, after-school programs, elder day care, and day camp, on a pre-tax basis. You may elect an annual DCAP contribution of up to \$5,000.

#### DCAP Eligibility

Active state employees who work half-time or more and have employment-related expenses for a dependent child under the age of 13 and/or a disabled adult dependent are eligible for DCAP benefits.

### HCSA & DCAP

All HCSA participants receive a free debit card from SHPS to conveniently use funds in your HCSA account without the need to submit paper claims. Alternately, as you incur health care and dependent care expenses, submit a claim form and receipt to SHPS. They will deposit the reimbursement to your bank. As required by the IRS, keep copies of all HCSA and DCAP receipts with your tax documents.

The monthly administrative fee for HCSA only, DCAP only, or HCSA and DCAP combined is \$3.75 on a pre-tax basis.



### HCSA & DCAP Enrollment

#### New Employees

New employees may enroll for partial-year benefits. For HCSA, new hire benefits begin after the same waiting period as other GIC benefits. For DCAP, coverage begins on the first date of employment.

#### Open Enrollment and Enrollment During the Year

The HCSA and DCAP plan year is January through December. **Open enrollment for these programs is in the fall** for the following calendar year. **You must re-enroll each year.** Comprehensive open enrollment materials are provided in the fall. Employees that have a "qualified" family status change during the plan year, as outlined on the enrollment and change form, may enroll during the year.

***It is important to estimate your expenses carefully – the Internal Revenue Service requires that you forfeit any unused funds at the plan's year end.***



**HCSA and DCAP Questions?**

Contact SHPS: 1.866.862.2422

[www.mass.gov/gic](http://www.mass.gov/gic)

## Eligibility for the GIC Dental and Vision Plan

The GIC Dental/Vision Program is for state employees who are not covered by collective bargaining or do not have another Dental and/or Vision Plan through the state. The plan primarily covers managers, Legislators, Legislative staff, and certain Executive Office staff. Employees of authorities, municipalities, higher education, and the Judicial Trial Court system are not eligible for GIC Dental/Vision coverage.

## Annual Enrollment Options

During annual enrollment, eligible employees may enroll in GIC Dental/Vision for the first time, or change their dental plan selection.

## Dental Benefits

Metropolitan Life Insurance Company (MetLife) is the provider of the dental portion of the GIC Dental/Vision plan. There are two dental plan options:

- The MetLife Value Plan (also known as the PPO Plan)
- The MetLife Classic Plan (also known as the Indemnity Plan)

Both plans offer access to the MetLife Preferred Dentist Program (PDP), a network of participating dentists that have agreed to accept a schedule of reduced fees. The negotiated fees apply even after you have exceeded the annual maximum.



**The GIC recommends that you check to see whether you and/or your dependents receive all of your dental care from a participating PDP dentist:**

- If you do, choosing the MetLife Value (PPO) Plan will save you on monthly premium costs. However, if you are in the MetLife Value (PPO) Plan and you go out-of-network, you will need to satisfy a deductible and the benefit levels are slightly lower.
- If you and/or your dependents do not visit participating dentists, choosing the MetLife Classic (Indemnity) Plan will provide higher benefit levels.

**Keep in mind that if you enroll in the MetLife Value (PPO) Plan and your dentist leaves the plan during the year, you may not change plans until the next annual enrollment.**



### Dental Questions?

**Including co-payment amounts and providers**

**Contact MetLife: 1.866.292.9990**

**[www.metlife.com/gic](http://www.metlife.com/gic)**

## Vision Benefits

The vision portion of the GIC Dental/Vision Plan is administered by Davis Vision. This plan provides a preferred provider network of over 900 Massachusetts providers, with additional preferred providers across the country. Members receive basic services at no cost and pay a co-pay for enhanced materials and services when they use a preferred provider. When members do not use a preferred provider, they are reimbursed according to a fixed schedule of benefits.



### Vision Questions?

**Including co-payment amounts and providers**

**Contact Davis Vision: 1.800.650.2466**

**[www.davisvision.com](http://www.davisvision.com) (control code: 7852)**

## GIC Dental/Vision Plan – Monthly GIC Plan Rates as of July 1, 2008

	INDIVIDUAL	FAMILY
<b>Value (PPO) Plan</b>	\$ 3.59	\$11.11
<b>Classic (Indemnity) Plan</b>	\$ 5.04	\$15.62